



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #440

### **Retired Senior Volunteer Program (DHFS -- Community Aids and Supportive Living)**

[LFB 2003-05 Budget Summary: Page 263, #2]

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#### **CURRENT LAW**

Under current law, the Department of Health and Family Services (DHFS) may establish and operate a retired senior volunteer program (RSVP) modeled after the federal retired and senior volunteer program to support volunteer services provided by individuals who are 60 years of age or older. DHFS distributes \$502,600 GPR annually to 16 public and private agencies in Wisconsin that serve 29 counties. These state funds supplement federal funds that the agencies receive directly from the Corporation for National and Community Services (CNS), the federal agency that administers the federal RSVP program.

#### **GOVERNOR**

Delete \$502,600 GPR annually to eliminate all state funding that is currently budgeted to supplement federal funds agencies receive to support RSVP. Repeal statutory provisions that authorize DHFS to establish and operate RSVP projects and all statutory references to the program.

#### **DISCUSSION POINTS**

1. RSVP is a federal program that develops and supports volunteer opportunities for adults age 55 and older, enabling volunteers to stay or become active in the community through volunteer services. The RSVP projects plan, develop, organize, and administer volunteer service opportunities. The projects then recruit, interview, train, and place men and women with the public and private nonprofit agencies requesting service, usually established local community and faith-based organizations. This includes schools, nursing homes, hospitals, senior centers, substance

abuse prevention programs, tutoring programs, and transporting disabled and elderly individuals to appointments.

2. The RSVP agencies in Wisconsin directly receive approximately \$1.3 million in federal RSVP grant funds annually from CNS. Agencies use these funds to sponsor and operate RSVP projects in the community. These projects recruit seniors to serve from a few hours a month to almost full time. Nationally, the average time contributed by participating volunteers is four hours a week.

3. There are 17 RSVP programs in Wisconsin that serve 30 counties. Of these programs, 16 receive supplemental funding from the state. There are over 11,500 senior volunteers in Wisconsin. These programs and their state grant amounts are shown in the following table. Funding is distributed on a calendar year basis.

**TABLE 1**

**Allocation of State RSVP Funds, 2003**

<u>Project Sponsor</u>	<u>Counties Served</u>	<u>GPR</u>
ADVOCAP	Winnebago & Green Lake	\$36,437
Volunteer Center of Brown County	Brown	27,843
Bethany Lutheran Homes	La Crosse, Monroe, Vernon & Crawford	45,370
RSVP of Dane County	Dane	33,765
Holy Family Memorial	Manitowoc	24,344
Interfaith Older Adult Program	Milwaukee	65,819
Catholic Charities Bureau	Forest, Lincoln, Oneida & Vilas	28,813
Northwestern Wisconsin Community Services Agency	Ashland, Bayfield, Iron & Price	28,111
Portage County Aging Resource Center	Portage	19,770
Catholic Charities Bureau	Douglas	20,124
RSVP of Waukesha County	Waukesha	25,318
American Red Cross, Southeastern Wisconsin	Walworth	22,466
Volunteer Center of Racine	Racine	36,437
RSVP of Rock County	Rock	29,400
Western Dairyland EOC	Buffalo, Trempealeau, Jackson & Eau Claire	37,989
Volunteer Center of Outagamie County	Outagamie	0
Kenosha Family & Aging Services	Kenosha	<u>20,648</u>
Total		\$502,654

4. State funding for RSVP projects was initially provided in the 1981-83 biennium. Under state law, DHFS is required to provide a state supplement to federally funded RSVP projects that were in operation on December 1, 1988, and administered by qualified public and non-profit private agencies. Of the currently operating sites, the Volunteer Center of Outagamie County, the Volunteer Center of Racine, and ADVOCAP were not in operation on December 1, 1988. Current law further specifies that state funds are to be allocated to the RSVP projects based on the county's

percentage of the state's population of low-income persons over age 60 who reside in each county. DHFS allocated the funding that was initially provided for existing RSVP projects under this formula. As new projects were started, additional funding was provided to DHFS to allocate to the new projects. Once all of the projects were established and additional GPR funds were provided for the program, those funds were allocated proportionally among the existing projects. The only RSVP project that does not receive state funding is the Volunteer Center of Outagamie County. This project was established using federal RSVP funds and has not requested any state funding.

5. RSVP projects typically use local, state, and federal funds to pay for project coordinators, liability insurance for volunteers, and other expenses incurred by the volunteers, such as transportation. Seniors are not paid for their volunteer work.

6. The RSVP projects are currently staffed by approximately 41 positions, of which approximately 8.2 positions are supported with state funds. Under federal law, volunteers cannot supplant paid workers, so if the GPR funds were not provided to the projects, those positions that are supported with GPR would either need to be eliminated or supported with other funds, including federal RSVP funds. However, this would reduce the availability of these funds to fund other services that support the volunteers.

7. Under federal law, RSVP projects are responsible for generating financial support for the RSVP project from all sources, federal and non-federal, including grants, cash, and in-kind contributions, to meet the budgeted costs of the project. The local RSVP projects are expected to supplement a federal grant with other support to the fullest extent possible. Projects are required to provide 10% in matching funds in the first year of the federal grant, 20% in the second year, and 30% in the third and each subsequent year. In Wisconsin, three RSVP projects have a 20% match requirement and the remaining projects have a 30% match requirement. Beginning in 2004, all projects will have a 30% match requirement.

8. Some projects have argued that they would lose their federal funds without the state funds, since the projects use the state funds to meet the federal match requirement. However, federal law allows RSVP projects to request a waiver from the match requirement. CNS may allow exceptions to the local support requirements in certain cases, including an economic downturn that severely reduces sources of local support or if there is an unexpected discontinuation of local support that a project has relied on for a period of years.

The Governor's recommendation is intended to reduce GPR spending as a response to the current economic downturn. However, it is not known whether CNS would grant waivers to the federal match requirement based on the state's decision to no longer provide a state supplement for these projects.

9. CNS is less likely to approve waivers for projects that are 100% federally funded. The match requirement is intended to show community support for the program and community support is a requirement for the receipt of federal funds. However, federal regulations do not require that states provide any portion of projects' required matching funds.

10. In 2001, 30 states provided state funds for Senior Corps programs, which include the RSVP, foster grandparents, and senior companion programs. In Wisconsin, state funds were first provided in the 1981-83 biennium to assist the RSVP projects to expand their programs. Before the state funds were provided, the projects met their match requirements through in-kind contributions. Federal law allows projects to meet their match requirement with in-kind contributions, which gives projects more flexibility in meeting their match requirement. Therefore, it may be possible for the projects to meet their match requirements through in-kind contributions. Other aging programs also have federal match requirements. For example, the area agencies on aging have a 25% match requirement and meet this through in-kind contributions. Given this history, the Committee could approve the Governor's recommendation to delete state funds for the RSVP program.

11. However, in order to give the local RSVP projects more time to secure additional local funding or in-kind support, the Committee could delay the elimination of state support for the RSVP projects until 2004-05.

12. Alternatively, the Committee could provide state funding equal to the amount of state funding that the RSVP projects use to meet their federal match requirement. Under this alternative, the projects would receive either their current GPR allocation or GPR funding equal to their federal grant match level, whichever is lower. The effect of this alternative is shown in Table 2, with more detail shown in Attachment 1. This alternative would provide \$342,100 GPR in 2003-04 and \$352,600 GPR in 2004-05.

**TABLE 2**

**Funding Provided to RSVP Projects Under Alternative 3**

<u>Project</u>	<u>2002</u>	<u>2003</u>
ADVOCAP	\$32,020	\$36,437
Volunteer Center of Brown County	18,226	18,226
Bethany Lutheran Homes	20,055	20,055
RSVP of Dane County	33,765	33,765
Holy Family Memorial	19,629	19,629
Interfaith Older Adult Program	23,123	23,123
Catholic Charities Bureau	16,496	16,496
Northwestern Wisconsin Community Services Agency	15,257	15,257
Portage County Aging Resource Center	19,770	19,770
Catholic Charities Bureau	15,855	15,855
RSVP of Waukesha County	25,318	25,318
American Red Cross, Southeastern Wisconsin	10,795	16,192
Volunteer Center of Racine	22,026	33,039
RSVP of Rock County	26,297	26,297
Western Dairyland EOC	17,788	17,788
Volunteer Center of Outagamie County	0	0
Kenosha Family & Aging Services	<u>15,307</u>	<u>15,307</u>
Total	\$331,727	\$352,554

13. The Committee could also consider incorporating the amount of other local funding that the RSVP projects receive when determining the amount of state funding that could be provided to the projects to allow them to meet their federal match requirement. Under this alternative, projects would receive a GPR allocation only if the amount of "other" funding that the project has reported is less than the required federal match. The effect of this alternative is seen in Table 3, with more detail provided in Attachment 2. This alternative would provide \$83,700 GPR in 2003-04 and \$98,200 GPR in 2004-05.

**TABLE 3**

**Funding Provided to RSVP Projects Under Alternative 4**

<u>Project</u>	<u>2003</u>	<u>2004</u>
ADVOCAP	\$32,020	\$48,030
Volunteer Center of Brown County	0	0
Bethany Lutheran Homes	0	0
RSVP of Dane County	0	0
Holy Family Memorial	0	0
Interfaith Older Adult Program	2,565	2,565
Catholic Charities Bureau	12,496	12,496
Northwestern Wisconsin Community Services Agency	835	835
Portage County Aging Resource Center	0	0
Catholic Charities Bureau	0	0
RSVP of Waukesha County	0	0
American Red Cross, Southeastern Wisconsin	0	1,992
Volunteer Center of Racine	7,716	18,729
RSVP of Rock County	0	0
Western Dairyland EOC	13,567	13,567
Volunteer Center of Outagamie County	0	0
Kenosha Family & Aging Services	<u>0</u>	<u>0</u>
Total	\$69,199	\$98,214

14. The Committee could also provide a portion of the current funding for the RSVP projects. Table 4 presents some alternative funding amounts, set as percentages of the current funding level. Local projects have argued that any loss of state funds would negatively affect the number of volunteers that they can recruit and train and it would reduce the number of volunteer opportunities that they are able to support. The RSVP projects have suggested that this would have a negative impact on many areas in local communities, where RSVP volunteers are now active.

**TABLE 4**

**RSVP Funding Alternatives**

<u>Alternative</u>	<u>Percent of Current Funding</u>	<u>Annual Amount</u>	<u>Annual Amount</u>	<u>Change to Bill</u>
5a	25%	\$125,700	\$251,400	\$753,800
5b	50%	251,300	502,600	502,600
5c	75%	377,000	754,000	251,200
5d	100%	502,600	1,005,200	0

15. Finally, if the Committee determines that any reduction in state funding for RSVP projects would adversely affect the program, the Committee could restore funding for RSVP. This is shown as alternative 5d in Table 4.

16. If the Committee decides to restore any of the GPR funding for RSVP, the statutory requirements for the program should be changed to conform to federal law. Currently, state law indicates that the GPR funds are to support RSVP programs that engage the services of individuals aged 60 or over as volunteers. However, federal law requires RSVP programs to engage the services of individuals 55 years of age or older. DHFS staff have administered the state funding under the federal regulations, with the understanding that federal rules override state statutes. Therefore, to conform state laws with current practice and federal rules, the Committee could reduce the age in state statutes related to RSVP to 55 years of age or older.

**ALTERNATIVES**

1. Approve the Governor's recommendation to eliminate state funding for the RSVP projects.

2. Modify the Governor's proposal by providing \$502,600 in 2003-04 to maintain the current amount of state funding for the program in the 2003-04 fiscal year, but eliminate all state funding for the RSVP projects beginning in 2004-05.

<b><u>Alternative 2</u></b>	<b><u>GPR</u></b>
<b>2003-05 FUNDING</b> (Change to Bill)	\$502,600

3. Provide \$342,100 GPR in 2003-04 and \$352,600 GPR in 2004-05 for the RSVP projects, such that the current projects would receive either their current level of GPR funding or an amount equal to their federal match requirement, whichever is less.

<b><u>Alternative 3</u></b>	<b><u>GPR</u></b>
<b>2003-05 FUNDING</b> (Change to Bill)	\$694,700

4. Provide \$83,700 in 2003-04 and \$98,200 in 2004-05 for the RSVP projects, such that current projects would receive GPR funding only to supplement their local funding to meet their federal match requirement.

<b><u>Alternative 4</u></b>	<b><u>GPR</u></b>
<b>2003-05 FUNDING</b> (Change to Bill)	\$181,900

5. Choose one of the following options, which provide a portion of the current funding for the RSVP projects.

a. Provide \$125,700 annually for RSVP. This is 25% of the amount allocated to RSVP projects under current law.

<b><u>Alternative 5a</u></b>	<b><u>GPR</u></b>
<b>2003-05 FUNDING</b> (Change to Bill)	\$251,400

b. Provide \$251,300 annually for RSVP. This is 50% of the amount allocated to RSVP projects under current law.

<b><u>Alternative 5b</u></b>	<b><u>GPR</u></b>
<b>2003-05 FUNDING</b> (Change to Bill)	\$502,600

c. Provide \$377,000 annually for RSVP. This is 75% of the amount allocated to RSVP projects under current law.

<b><u>Alternative 5c</u></b>	<b><u>GPR</u></b>
<b>2003-05 FUNDING</b> (Change to Bill)	\$754,000

d. Maintain current law.

<b><u>Alternative 5d</u></b>	<b><u>GPR</u></b>
<b>2003-05 FUNDING</b> (Change to Bill)	\$1,005,200

6. In addition to Alternatives 2, 3, 4, or 5, modify the statutes to specify that the RSVP program shall engage persons aged 55 or over as volunteers, instead of 60 or over, as stated in current law.

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Attachment



# ATTACHMENT 1

## Estimated Fiscal Effect of Alternative 3

Project	FED		GPR		Other		CY 03			CY 04			
	Amount	Percent	Amount	Percent	Amount	Percent	Required	Match	Lower	Percent	Required	Match	Lower
									Amount				Amount
ADVOCAP	\$160,099	81%	\$36,437	19%	\$0	0%	\$32,020	20%	\$36,437	30%	\$48,030	30%	\$36,437
Volunteer Center of Brown County	60,752	55	27,843	25	22,054	20	18,226	30	27,843	30	18,226	30	18,226
Bethany Lutheran Homes	66,850	31	45,370	21	102,206	44	20,055	30	45,370	30	20,055	30	20,055
RSVP of Dane County	153,534	27	33,765	6	390,997	68	46,060	30	33,765	30	46,060	30	33,765
Holy Family Memorial	65,430	55	24,344	20	29,620	25	19,629	30	24,344	30	19,629	30	19,629
Interfaith Older Adult Program	77,076	47	65,819	40	20,558	13	23,123	30	65,819	30	23,123	30	23,123
Catholic Charities Bureau	54,987	63	28,813	33	4,000	5	16,496	30	28,813	30	16,496	30	16,496
NW Wis. Community Services Agency	50,857	54	28,111	30	14,422	23	15,257	30	28,111	30	15,257	30	15,257
Portage County Aging Resource Center	75,254	50	19,770	13	55,315	34	22,576	30	19,770	30	22,576	30	19,770
Catholic Charities Bureau	52,850	44	20,124	17	46,114	39	15,855	30	20,124	30	15,855	30	15,855
RSVP of Waukesha County	94,951	38	25,318	10	131,823	52	28,485	30	25,318	30	28,485	30	25,318
American Red Cross, SE Wisconsin	53,974	60	22,466	25	14,200	15	10,795	20	22,466	30	16,192	30	16,192
Volunteer Center of Racine	110,129	68	36,437	23	14,310	9	22,026	20	36,437	30	33,039	30	33,039
RSVP of Rock County	87,658	46	29,400	15	73,992	37	26,297	30	29,400	30	26,297	30	26,297
Western Dairyland EOC	59,294	58	37,989	37	4,221	4	17,788	30	37,989	30	17,788	30	17,788
Volunteer Center of Outagamie County*	97,791						29,337	30	0	30	29,337	30	0
Kenosha Family & Aging Services	51,023	54	20,648	22	22,999	22	15,307	30	20,648	30	15,307	30	15,307
Total	\$1,372,509		\$502,654		\$946,831		\$379,333		\$331,727		\$411,753		\$352,554

\*Additional information is not available from this project since they do not receive state funding.

## ATTACHMENT 2

### Estimated Fiscal Effect of Alternative 4

Project	FED		GPR		Other Funds		CY 03			CY 04				
	Amount	Percent	Amount	Percent	Amount	Percent	Percent Match	Required Match	Requirement-Other	GPR Supplement	Percent Match	Required Match	Requirement-Other	GPR Supplement
ADVOCAP	\$160,099	81%	\$36,437	19%	\$0	0%	20%	\$32,020	-\$32,020	\$32,020	30%	\$48,030	-\$48,030	\$48,030
Volunteer Center of Brown County	60,752	55	27,843	25	22,054	20	30	18,226	3,828	0	30	18,226	3,828	0
Bethany Lutheran Homes	66,850	31	45,370	21	102,206	48	30	20,055	82,151	0	30	20,055	82,151	0
RSVP of Dane County	153,534	27	33,765	6	390,997	68	30	46,060	344,937	0	30	46,060	344,937	0
Holy Family Memorial	65,430	55	24,344	20	29,620	25	30	19,629	9,991	0	30	19,629	9,991	0
Interfaith Older Adult Program	77,076	47	65,819	40	20,558	13	30	23,123	-2,565	2,565	30	23,123	-2,565	2,565
Catholic Charities Bureau	54,987	63	28,813	33	4,000	5	30	16,496	-12,496	12,496	30	16,496	-12,496	12,496
NW Wis. Community Services Agency	50,857	54	28,111	30	14,422	15	30	15,257	-835	835	30	15,257	-835	835
Portage County Aging Resource Center	75,254	50	19,770	13	55,315	37	30	22,576	32,739	0	30	22,576	32,739	0
Catholic Charities Bureau	52,850	44	20,124	17	46,114	39	30	15,855	30,259	0	30	15,855	30,259	0
RSVP of Waukesha County	94,951	38	25,318	10	131,823	52	30	28,485	103,338	0	30	28,485	103,338	0
American Red Cross, SE Wisconsin	53,974	60	22,466	25	14,200	16	20	10,795	3,405	0	30	16,192	-1,992	1,992
Volunteer Center of Racine	110,129	68	36,437	23	14,310	9	20	22,026	-7,716	7,716	30	33,039	-18,729	18,729
RSVP of Rock County	87,658	46	29,400	15	73,992	39	30	26,297	47,695	0	30	26,297	47,695	0
Western Dairyland EOC	59,294	58	37,989	37	4,221	4	30	17,788	-13,567	13,567	30	17,788	-13,567	13,567
Volunteer Center of Outagamie County*	97,791						30	29,337	0	0	30	29,337	0	0
Kenosha Family & Aging Services	51,023	54	20,648	22	22,999	24	30	15,307	7,692	0	30	15,307	7,692	0
<b>Total</b>	<b>\$1,372,509</b>		<b>\$502,654</b>		<b>\$946,831</b>			<b>\$379,333</b>		<b>\$69,199</b>		<b>\$411,753</b>		<b>\$98,214</b>

\*Additional information is not available from this project since they do not receive state funding.